REMARKS

Applicant expresses appreciation to the Examiner for consideration of the subject patent application. This amendment is in response to the Office Action mailed January 17, 2007. Claims 1-19 were rejected. The claims have been amended to address the concerns raised by the Examiner.

Claims 1-19 were originally presented. Claims 13, 14 and 16 remain in the application. Claims 1-12, 15, and 17-19 have been canceled without prejudice. Claim 13 has been amended. Claims 20-27 have been added.

Claim Rejections - 35 U.S.C. § 112

Claims 13-19 stand rejected under § 112, 2nd paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Claims 15, 17, and 18 that were cited by the examiner have been cancelled.

Claim Rejections - 35 U.S.C. § 103

Claims 1-10 (including independent claims 1 and 8) were rejected under 35 U.S.C. § 103(a) as being unpatentable over Ellis (5,358,278), and further in view of Chancey et al. (5,842,185) (hereinafter referred to as "Chancey").

Claims 1-10 have been cancelled.

Claims 11-19 (including independent claims 11 and 13) were rejected under 35 U.S.C. § 103(a) as being unpatentable over Ellis (5,358,278), and further in view of "Timing is not always everything in investing" by Humberto Cruz.

Claims 11 and 12 have been cancelled. Claim 13 has been amended to include the limitations of claim 19. Claim 13, as amended, now recites:

A method for determining a financial debt that should be paid down first to reduce a person's overall financial debt, comprising the steps of:

storing debt information for a plurality of debts, wherein the debt information for each financial debt includes a principal amount, an interest rate, a periodic payment, and a debt payment length;

comparing the periodic payment of each debt to the principal amount;

creating a numerical ranking for each of the debts based on dividing the periodic payment by an original principal amount or a remaining principal amount; and

identifying the debt to pay off first based on the highest numerical ranking of the debt to allow the plurality of debts to be paid off in a reduced amount of time.

The Ellis and Chancey references, when combined, do not teach or suggest all of the elements of independent claim 13, as amended. Specifically, the Ellis reference does not teach the operation of creating a numerical ranking for each of the debts based on dividing the periodic payment by an original principal amount or a remaining principal amount, and the Chancey reference does not overcome that deficiency.

The Ellis reference discloses a pocket-size personal financial organizer for monitoring, controlling and reducing spending. (See Abstract) As stated in the Office Action, Ellis does not disclose the operation of comparing periodic payment information of each debt to the principal amount (or remaining principal amount). Nor does Ellis disclose the operation of creating a ranking wherein the periodic payment is divided by the principal amount or remaining principal amount. Therefore, Ellis does not disclose the invention recited in claim 13.

The Cruz reference discloses a variety of methods for paying off a plurality of debts, such as first paying off the debt with the highest interest rate, first paying off the debt with the lowest outstanding balance, and first paying the bill with the highest monthly payment. However, Cruz does not disclose the operation of creating a ranking wherein the periodic payment is divided by the principal amount or remaining principal amount.

The Office Action states that creating a ratio of two know factors is simply a different way of displaying the same information. The Office Action asserts that, since Cruz discloses both the use of highest payment and lowest balance, if these two numbers are put in ratio form, the equivalent result of ranking by these factors individually is obtained. This is mathematically incorrect.

Creating a ratio of two known factors is not simply a different way of displaying the same information. Entirely new information can be obtained from formulating a ratio of two known factors. For example, the list below includes a plurality of debts with differing payment amounts and principal amounts. A third column includes each debt's ranking based on calculating the periodic payment amount divided by the principal amount.

Per. Pay Amt.	Principal	Rank
$500.00	$10,000	0.05
$750.00	$3,000	0.25
$775.00	$25,000	0.031
$25.00	$450	0.055

As can be seen, the debt with the highest numerical ranking is the $3,000 debt with the $750.00 periodic payment. This debt is neither the highest periodic payment (or lowest) or the highest or lowest principal amount. Thus, the ratio obtained by dividing the periodic payment by the principal amount, as recited in claim 13, provides a novel, non-obvious method for calculating which debts to be paid off first. This method has not been taught or suggested by the prior art, nor by a combination of the cited prior art. Therefore, Applicant respectfully submits that independent claim 13, as amended, is allowable, and urges the Examiner to withdraw the rejection.

Rejection of the dependent claims 14-16 should be reconsidered and withdrawn for at least the reasons given above with respect to the independent claim. The dependent claims, being narrower in scope, are allowable for at least the reasons for which the independent claim is allowable.

Support for the new dependent claims 20-27 can be found in the specification starting on page 9, line 11 to page 12, line 16. No new matter has been added.

CONCLUSION

In light of the above, Applicant respectfully submits that pending claims 13, 14, 16 and 20-27 are now in condition for allowance. Therefore, Applicant requests that the rejections and objections be withdrawn, and that the claims be allowed and passed to issue. If any impediment to the allowance of these claims remains after entry of this Amendment, the Examiner is strongly encouraged to call Alex W. Haymond at (801) 566-6633 so that such matters may be resolved as expeditiously as possible.

Fees in the amount of $60.00, will be submitted electronically pursuant to 37 C.F.R. § 1.17(a) (I), for a one month extension of time pursuant to 37 C.F.R. § 1.136. Eight dependent claims were added (claims 20-27), while 16 claims were canceled (claims 1-12, 15 and 17-19). Therefore, no additional fee is due.

The Commissioner is hereby authorized to charge any additional fee or to credit any overpayment in connection with this Amendment to Deposit Account No. 20-0100.

DATED this 17th day of May, 2007.

Respectfully submitted,

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